
Coast to Coast Claims

Volume 1 Issue 1 *Transportation advice from a claims viewpoint*

October 1997

Why we're here...

On October 1, 1996, the Coast Guard (CG) established its Claims Section in the General Accounting Branch, Accounting Operations Division, U.S. Coast Guard Finance Center (FINCEN), Chesapeake, VA, to centrally handle all CG freight loss and damage claim actions. Previously, freight loss and damage claims were handled at the local level with little or no success in recovering money from commercial carriers who lost or damaged intransit CG freight.

The program is the result of a QAT team study that recommended the section be established. The QAT estimated the CG could recover approximately \$.5M to \$1.5M per year. The section's mission is (1) to establish and implement standard transportation discrepancy reporting procedures for CG field activities, (2) to furnish technical guidance to field activities, and (3) to file, monitor, and collect formal freight loss and damage claims. The office is staffed by experienced transportation, freight loss and damage claim, and financial systems personnel. The program will be reviewed after 2 years.

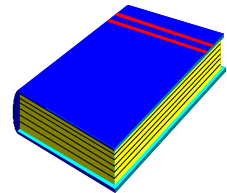


The claims program will succeed if we all work together - it takes teamwork!

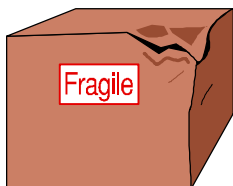
responsibilities, which discrepancies to report, how to complete the TDR, and what documentation is required to support the TDR is imperative. To that end, Claims Section personnel have developed a 1-1/2-day training seminar covering subjects pertaining to TDRs and claims from shipping and receiving procedures to hands-on preparation, completion, and documentation of the TDR. Throughout 1997, training sessions have been conducted at various ISCs. To date, training has been completed at Alameda, CA; Miami, FL; Seattle, WA; Cleveland, OH; Corpus Christi, TX; AR&SC (Elizabeth City, NC), and ELC (Baltimore, MD). A session for Boston, MA, is in the planning stages. The "Training and Reference Guide" used during the on-site training is available for those not scheduled for training this year. Give us a call or email a request to our address and we'll send you a copy.

In addition, Claims Section personnel are available for technical guidance at any time. We are also developing concepts and goals for long-term training, giving consideration to computer-based applications, video applications, and use of artificial intelligence.

Currently, instructions for proper completion of the TDR are contained in COMDTINST M4610.5, Transportation of Freight, as well as guidelines for shipping and receiving freight. Further policy and guidance on transportation discrepancy reporting and freight loss and damage claim documentation will be published in Commandant Instruction M4610.6, The Coast Guard Freight Loss and Damage Claim System. Publication is set for October 1997.



Initiatives...



The success of this program depends upon activity-level receiving personnel: (1) identifying transportation discrepancies as they occur; (2) promptly

and accurately completing a transportation discrepancy report (TDR); and, (3) submitting the TDR with sufficient documentation to support a charge of carrier liability for the discrepancy in a timely manner for claim action. Ensuring that activity level personnel understand their



Contrary to popular belief, money collected on freight loss and damage claims is NOT credited to general Treasury accounts. Public Law 97-258

(10 U.S.C. 2636) provides for crediting funds back to the fund or appropriation from which the same or similar material will be replaced. In other words, money recovered for items lost or damaged beyond economical repair while in transit is generally credited back to the item manager responsible for the procurement of new items. Activities who receive damaged property and repair the damage using local operating funds can expect to have any recovery money credited back to their local account.

So...how are we doing so far?

Through the end of September 1997, we filed 35 claims valued at \$316,747.10. We've amended, canceled, or otherwise adjusted 7 claims totaling \$(241,394.38). [Note: we resolved 2 claims totaling \$56,081.25, because the freight reported short was delivered!] We've collected \$65,532.81. We receive TDR packages daily, but we need more than what we're currently getting. We ask you keep your eyes wide open when receiving freight and document any and all discrepancies discovered. Making this program work is a joint effort.



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We want to hear from you...



Currently, our intent is to publish this newsletter

whenever we encounter problems on freight claims, but not less than once a quarter. In order to do that, we need comments and input from you.

Here's some of the things we need to establish before we move forward:

1. What do you think of the newsletter format? Is there a more effective way we could structure this publication?
2. What subjects do we need to cover in addition to those we encounter? Where do we need to focus?
3. We need e-mail addresses for all personnel performing transportation shipping and receiving functions. We believe the fastest and least expensive way to communicate with a large group of people is through electronics.

Points of contact...

If you want to learn more about the program, contact the Claims Section Chief, Ms. Susan Hubbard, CCP, or the Traffic Management Specialist, Ms. Robin Gensburger.

If you cannot use this newsletter, please pass it to someone in your activity who can. Let us know and we will make the changes to our mailing list.

Claims Section Points of Contact

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